

ORIGINAL

OPEN MEETING AGENDA ITEM



0000164677

BEFORE THE ARIZONA CORPORATION CC

COMMISSIONERS

SUSAN BITTER-SMITH- Chairman  
BOB STUMP  
BOB BURNS  
DOUG LITTLE  
TOM FORESE

2015 SEP 24 P 2:44

DOCKET NO. W-01445A-11-0310

IN THE MATTER OF THE APPLICATION OF  
ARIZONA WATER COMPANY, AN ARIZONA  
CORPORATION, FOR A DETERMINATION OF  
THE FAIR VALUE OF ITS UTILITY PLANT  
AND PROPERTY AND FOR ADJUSTMENTS  
TO ITS RATES AND CHARGES FOR UTILITY  
SERVICE FURNISHED BY ITS EASTERN  
GROUP AND FOR CERTAIN RELATED  
APPROVALS.

**NOTICE OF ERRATA CORRECTING  
STAFF PROPOSED ORDER STAYING  
DECISION NO. 73938**

On September 17, 2015, Staff filed a proposed order that would stay the operation of the SIB mechanism approved by Decision No. 73938 (June 27, 2013), as affirmed by Decision No. 74463 (April 22, 2014), pending the outcome of further litigation. Staff has been made aware of various typographical errors in the proposed order that incorrectly reference Decision No. 74602 rather than 74463. The incorrect references to Decision No. 74602 occur in Findings of Fact 1 and 2 as well as the first Ordering Paragraph. Staff hereby provides, as an errata, a revised Staff proposed order that corrects the references to Commission orders.

It is noted that the attached proposed order is not an order of the Commission. Exceptions to the proposed order may be filed in the docket by September 28, 2015.

RESPECTFULLY SUBMITTED this 24<sup>th</sup> day of September, 2015.

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Wesley C. Van Cleve, Staff Attorney  
Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007  
(602) 542-3402

Arizona Corporation Commission

**DOCKETED**

SEP 24 2015

DOCKETED BY

1 Original and thirteen (13) copies of the  
2 foregoing were filed this 24<sup>th</sup> day of  
3 September, 2015, with:

4 Docket Control  
5 Arizona Corporation Commission  
6 1200 West Washington Street  
7 Phoenix, Arizona 85007

8 Copies of the foregoing were emailed/  
9 and/or mailed this 24<sup>th</sup> day of September,  
10 2015, to:

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1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **COMMISSIONERS**

3 SUSAN BITTER SMITH - CHAIRMAN  
4 BOB STUMP  
5 BOB BURNS  
6 DOUG LITTLE  
7 TOM FORESE

8 IN THE MATTER OF THE APPLICATION  
9 OF ARIZONA WATER COMPANY, AN  
10 ARIZONA CORPORATION, FOR A  
11 DETERMINATION OF THE FAIR VALUE  
12 OF ITS UTILITY PLANT AND PROPERTY  
13 AND FOR ADJUSTMENTS TO ITS RATES  
14 AND CHARGES FOR UTILITY SERVICE  
15 FURNISHED BY ITS EASTERN GROUP  
16 AND FOR CERTAIN RELATED  
17 APPROVALS.

DOCKET NO. W-01445A-11-0310

DECISION NO. \_\_\_\_\_

**ORDER**

18 Open Meeting  
19 October 20, 2015  
20 Phoenix, Arizona

21 **BY THE COMMISSION:**

22 **FINDINGS OF FACT**

23 1. On June 27, 2013, the Arizona Corporation Commission ("Commission") issued  
24 Decision No. 73938. Among other things, Decision No. 73938 approved Arizona Water Company  
25 ("Company") to implement a system improvement benefits mechanism ("SIB"). Following a  
26 rehearing on Decision No. 73938, the Commission affirmed its approval of the Company's SIB in  
27 Decision No. 74463 (April 22, 2014). On August 18, 2015, the Arizona Court of Appeals issued an  
28 opinion in Case No. 1 CA-CC 13-0002 which set aside the Commission's approval of the SIB  
mechanism approved in Decision No. 73938.

2. In light of the Court's ruling, and in balancing the interests that are implicated in this  
matter, the Commission finds it is reasonable and in the public interest to stay operation of the SIB  
mechanism approved for the Company by Decision No. 73938 and, to the extent it is implicated,  
Decision No. 74463 pending the outcome of further court proceedings.

...

**CONCLUSIONS OF LAW**

1  
2 1. Arizona Water Company is a public service corporation within the meaning of Article  
3 XV of the Arizona Constitution.

4 2. The Commission has jurisdiction over Arizona Water Company, and the subject  
5 matter of this filing.

6 3. It is in the public interest to stay the operation of the System Improvement Benefits  
7 Mechanism approved by Decision No. 73938 and affirmed by Decision No. 74463 pending the  
8 outcome of further court proceedings and until further order of the Commission.

**ORDER**

9  
10 IT IS THEREFORE ORDERED that the System Improvement Benefit Mechanism approved  
11 by Decision No. 73938 and affirmed by Decision No. 74463, is hereby stayed until further order of  
12 the Commission.

13 IT IS FURTHER ORDERED that all compliance requirements specifically associated with  
14 operation of the System Improvement Benefits Mechanism are stayed until further order of the  
15 Commission.

16 IT IS FURTHER ORDERED that all other aspects of Decision No. 73938 shall remain in  
17 effect.

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IT IS FURTHER ORDERED that this Decision shall become effective immediately.

**BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, JODI JERICH, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

JODI JERICH  
EXECUTIVE DIRECTOR

DISSENT: \_\_\_\_\_

DISSENT: \_\_\_\_\_

SERVICE LIST FOR: Arizona Water Company  
DOCKET NO. W-01445A-11-0310

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